

Socio-economic situation of Poland

In August 2016, upward tendencies prevailed in the basic areas of the economy. Sold production of industry, following a drop recorded a month before, increased considerably in annual terms (partly due to seasonal factors). The growth in retail sales and the sales of services in transport strengthened. The drop recorded in construction and assembly production was slightly deeper than in July. The prices of consumer goods and services were still below the level recorded in August of the previous year.

The growth rate of the average paid employment in the enterprise sector, in annual terms, was similar to the one recorded in the preceding months. The registered unemployment rate decreased to 8.5% at the end of August 2016. According to the results of the labour demand survey, in the 1st half of 2016 more new jobs were created than a year before. At the same time, a reduction in the scale of liquidated jobs was observed.

The growth in annual terms in average monthly nominal and real gross wages and salaries in the enterprise sector in August 2016 did not differ considerably from the one recorded in July 2016. The average nominal gross retirement and other pension benefits from the non-agricultural social security system increased to a slightly higher degree than a month before. Retirement and other pension benefits of private farmers, following a drop in the preceding months, were slightly above the level recorded in August 2015. The purchasing power of benefits increased both in the employee and in the farmers systems.

The sold production of industry in August 2016 was by 7.5% higher than a year before (after eliminating seasonal factors – by 5.1%). A growth was recorded in manufacturing and water supply; sewerage, waste management and remediation activities, along with a drop in production in the remaining two sections. Among the main industrial groupings, the highest increase concerned the production of capital goods and durable consumer goods, whereas the sales of energy goods declined. Construction and assembly production in August 2016 was lower than a year before by 20.5% (after eliminating the seasonal factors – by 20.3%). A drop was recorded in all divisions of construction, of which the deepest – by entities dealing mainly with construction of buildings. Retail sales were by 7.8% higher than in August 2015.

In August 2016, the drop in the prices of consumer goods and services, in annual terms, was close to that observed in the previous months. The scale of the drop in prices of goods and services associated with dwelling and transport shranked slightly. The growth in the prices of food and non-alcoholic beverages accelerated. The prices of sold production of industry, and construction and assembly production, were slightly below the level recorded in August 2015.

According to the business tendency survey, in September 2016 the sentiments of enterprises operating in manufacturing are slightly less positive than a month before. The forecasts regarding most of the surveyed areas are favourable but more careful than in August 2016. The negative diagnoses of the current financial situation and order-books have improved. The slightly pessimistic assessments of current production have continued. Construction entities assess the general business tendency climate slightly more negatively than

a month before. The pessimistic assessments regarding current order-books are worse than in August 2016, with similar negative diagnoses of production and the financial situation. The corresponding forecasts are pessimistic and worse than a month before. Entrepreneurs in retail trade assess the business tendencies positively, similarly to August 2016. They perceive the future sales and demand for goods in a more favourable way. The diagnoses of the financial situation remain negative, with improved forecasts in this area, which are slightly positive.

The consumers' sentiments in September 2016 are less pessimistic than a month before. The most significant improvement has concerned to assessments regarding current possibility of making major purchases (which have been positive for the first time since September 2008) and the current economic situation of the country. Consumers' sentiments regarding the future have worsened slightly, of which the most in the scope of saving money and the economic situation of the country.

In August 2016 in the agricultural market the procurement prices of most basic agricultural products (except the prices of cattle and pigs for slaughter) fell below the corresponding month of the previous year. Preliminary results of the June survey indicate the deepening of the drop in the livestock of pigs in annual terms, which was influenced by limiting the number of animals in all categories. A slight drop, for the first time in four years, was recorded in the livestock of cattle, which resulted from reducing, among others, the livestock of bovines aged 2 years and over.

In the period of January–July 2016, in foreign trade turnover a faster growth was observed in exports than in imports. The exchange closed with a positive balance, which was much higher than a year before. The turnover with developed countries (including the EU countries) increased, as well as exports to the Central and Eastern European countries and imports from developing countries. In the 1st half of 2016, the total terms of trade index reached a slightly more favourable level than in the corresponding period of the previous year, amounting to 101.0 (against 100.9 a year before).

State Budget revenues in the period of the eight months of 2016 amounted to PLN 214.5 bn, and expenditures to PLN 229.5 bn (i.e. 68.4% and 62.3%, respectively, of the amounts assumed in the Budget Act for 2016). The deficit reached the level of PLN 14.9 bn, which accounted for 27.3% of the plan.

SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY

Specification a - 2015 b - 2016		I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Paid employment in the enterprise sector ¹ in thous. persons	a	5573	5573	5576	5575	5577	5578	5583	5588	5593	5608	5617	5626
	b	5703	5711	5727	5730	5734	5753	5762	5761				
Registered unemployed persons (end of period) in thous. persons	a	1919	1919	1861	1782	1702	1622	1586	1564	1539	1517	1531	1563
	b	1648	1653	1601	1522	1457	1393	1362	1347				
Unemployment rate (end of period) in %	a	11,9	11,9	11,5	11,1	10,7	10,2	10,0	9,9	9,7	9,6	9,6	9,8
	b	10,3	10,3	10,0	9,5	9,1	8,8	8,6	8,5				
Average monthly nominal gross wage and salary in the enterprise sector ¹ :													
in zloty	a	3942,78	3981,75	4214,14	4123,26	4002,16	4039,70	4095,26	4024,95	4059,19	4110,77	4164,01	4515,28
	b	4101,36	4137,55	4351,45	4313,57	4166,28	4252,19	4291,85	4212,56				
previous month=100	a	90,0	101,0	105,8	97,8	97,1	100,9	101,4	98,3	100,9	101,3	101,3	108,4
	b	90,8	100,9	105,2	99,1	96,6	102,1	100,9	98,2				
corresponding month of previous year=100	a	103,6	103,2	104,9	103,7	103,2	102,5	103,3	103,4	104,1	103,3	104,0	103,1
	b	104,0	103,9	103,3	104,6	104,1	105,3	104,8	104,7				
Average monthly real gross wage and salary in the enterprise sector ¹ — corresponding month of previous year=100	a	105,2	105,0	106,6	104,9	104,1	103,4	104,1	104,1	105,2	104,2	104,7	103,8
	b	104,9	104,8	104,3	105,9	105,2	106,1	105,9	105,7				
Average monthly real gross retirement pay and pension: from non-agricultural social security system													
corresponding month of previous year=100	a	104,5	104,6	104,8	103,3	103,1	102,8	103,1	103,1	103,3	103,3	103,4	103,4
	b	103,8	103,7	102,3	102,4	102,3	102,2	102,2	102,4				
of farmers													
corresponding month of previous year=100	a	102,9	103,2	104,9	104,4	105,5	104,3	103,6	103,1	103,3	103,0	102,8	102,7
	b	103,1	103,1	100,6	100,3	99,3	100,0	100,7	101,0				
Price indices of consumer goods and services:													
previous month=100	a	99,8	99,9	100,2	100,4	100,0	100,0	99,9	99,6	99,7	100,1	99,9	99,8
	b	99,5	99,9	100,1	100,3	100,1	100,2	99,7	99,8				
corresponding month of previous year=100	a	98,6	98,4	98,5	98,9	99,1	99,2	99,3	99,4	99,2	99,3	99,4	99,5
	b	99,1	99,2	99,1	98,9	99,1	99,2	99,1	99,2				
December of previous year=100	a	99,8	99,6	99,8	100,3	100,3	100,3	100,2	99,9	99,6	99,7	99,6	99,5
	b	99,5	99,4	99,5	99,8	99,9	100,1	99,8	99,5				
Price indices of sold production of industry:													
previous month=100	a	99,9	99,9	100,1	99,6	100,4	100,6	99,6	99,3	99,9	100,1	100,0	99,8
	b	99,5	99,6	99,7	100,3	101,2	100,2	99,9	99,7				
corresponding month of previous year=100	a	97,2	97,2	97,5	97,3	97,9	98,6	98,2	97,3	97,2	97,7	98,2	99,2
	b	98,8	98,5	98,1	98,8	99,6	99,2	99,5	99,9				
Price indices of construction and assembly production:													
previous month=100	a	99,9	99,9	100,0	100,0	99,9	100,0	99,9	99,9	99,9	99,9	99,9	99,9
	b	99,9	99,9	99,9	100,0	100,0	100,1	100,1	100,1				
corresponding month of previous year=100	a	99,5	99,6	99,7	99,7	99,7	99,6	99,6	99,4	99,4	99,3	99,3	99,1
	b	99,3	99,3	99,2	99,3	99,4	99,5	99,6	99,8				

1 Data concern economic entities employing more than 9 persons.

SELECTED INDICATORS REGARDING THE ECONOMIC SITUATION OF THE COUNTRY (cont.)

Specification a - 2015 b - 2016	I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII	
Sold production of industry ¹ (constant prices ²):													
previous month=100	a	96,8	101,4	113,4	92,0	98,6	104,6	98,7	92,9	115,1	101,9	97,4	96,4
	b	91,9	106,9	107,0	96,9	96,1	107,4	90,0	103,3				
corresponding month of previous year=100	a	101,6	105,0	108,8	102,4	102,8	107,4	103,8	105,3	104,0	102,4	107,8	106,7
	b	101,3	106,8	100,7	106,0	103,2	106,0	96,6	107,5				
Construction and assembly production (constant prices ²):													
previous month=100	a	34,8	116,7	128,2	108,7	106,4	112,5	103,4	99,2	111,6	104,2	96,6	127,7
	b	31,9	114,3	120,6	109,9	107,8	113,4	96,6	97,2				
corresponding month of previous year=100	a	101,3	99,7	102,9	108,5	101,3	97,5	99,9	104,8	97,5	94,8	101,2	99,6
	b	91,4	89,5	84,2	85,1	86,3	87,0	81,2	79,5				
Dwellings completed (from the beginning of year)	a	11748	21241	31703	42138	52548	63966	76852	88067	101331	116296	130032	147711
	b	12776	25059	37442	51158	62071	73773	85968	98250				
Retail sales of commodities ¹ (constant prices ³):													
previous month=100	a	78,0	98,4	117,1	97,4	100,5	101,0	102,2	98,2	99,9	104,7	94,1	122,0
	b	75,1	101,3	113,6	99,7	99,3	103,1	100,2	101,4				
corresponding month of previous year=100	a	103,6	102,4	106,6	101,5	104,7	106,6	103,5	102,0	102,9	103,6	105,7	107,0
	b	103,2	106,2	103,0	105,5	104,3	106,5	104,4	107,8				
State budget balance - from the beginning of year (in mln zł)	a	-586,9	-11324,0	-16660,1	-16693,1	-19631,1	-26139,8	-26591,6	-25860,4	-31136,1	-34487,9	-36128,7	-42606,7
	b	1759,9	-3098,3	-9587,2	-11125,5	-13482,5	-18683,8	-14387,3	-14929,7				
Average exchange rates in zł - National Bank of Poland:													
100 USD	a	367,39	367,66	381,38	373,47	365,20	371,03	377,34	376,85	375,13	378,07	395,71	394,17
	b	403,97	395,65	386,44	379,85	389,91	392,00	397,07	383,54				
100 EUR	a	427,97	417,76	412,78	402,91	407,83	415,97	415,40	419,36	421,69	424,60	425,03	429,05
	b	439,35	439,60	429,34	430,68	440,76	440,19	439,66	430,03				
100 CHF	a	392,73	393,22	389,12	388,12	392,11	398,17	396,27	389,29	386,05	390,37	392,36	396,23
	b	401,76	398,95	393,11	393,89	398,74	403,74	404,65	395,49				
Foreign trade ⁴ in mln zł:													
exports	a	59078,5	59866,7	66087,0	60697,3	60056,4	63477,6	61858,2	56006,2	67099,8	69393,8	66998,7	60215,6
	b	59850,8	65403,3	68170,6	67756,5	64999,9	69082,3	60076,1	.				
imports	a	57030,8	57402,1	64269,2	61125,9	57414,1	62907,7	63813,0	56835,9	66435,3	67425,7	66370,0	59943,6
	b	57286,6	63358,0	65847,6	64202,4	61389,9	64970,6	59446,4	.				
balance	a	2047,7	2464,6	1817,8	-428,6	2642,3	569,9	-1954,8	-829,7	664,5	1968,1	628,7	272,0
	b	2564,2	2045,3	2323,0	3554,1	3610,0	4111,7	629,7	.				

1 Data concern economic entities employing more than 9 persons. 2 The average current prices from 2010. 3 The current prices from the period preceding the surveyed period. 4 Preliminary data.